China in revolt

Eli Friedman on some of the recent strikes in China.

The Chinese working class plays a Janus-like role in the political imaginary of neoliberalism. On the one hand, it's imagined as the competitive victor of capitalist globalization, the conquering juggernaut whose rise spells defeat for the working classes of the rich world. What hope is there for the struggles of workers in Detroit or Rennes when the Sichuanese migrant is happy to work for a fraction of the price?

At the same time, Chinese workers are depicted as the pitiable victims of globalization, the guilty conscience of First World consumers. Passive and exploited toilers, they suffer stoically for our iPhones and bathtowels. And only we can save them, by absorbing their torrent of exports, or campaigning benevolently for their humane treatment at the hands of "our" multinationals.

For parts of the rich-world left, the moral of these opposing narratives is that here, in our own societies, labor resistance is consigned to history's dustbin. Such resistance is, first of all, perverse and decadent. What entitles pampered Northern workers, with their "First World problems," to make material demands on a system that already offers them such abundance furnished by the wretched of the earth? And in any case, resistance against so formidable a competitive threat must surely be futile.

By depicting Chinese workers as Others – as abject subalterns or competitive antagonists – this tableau wildly miscasts the reality of labor in today's China. Far from triumphant victors, Chinese workers are facing the same brutal competitive pressures as workers in the West, often at the hands of the same capitalists. More importantly, it is hardly their stoicism that distinguishes them from us.

Today, the Chinese working class is fighting. More than thirty years into the Communist Party's project of market reform, China is undeniably the epicenter of global labor unrest. While there are no official statistics, it is certain that thousands, if not tens of thousands, of strikes take place each year. All of them are wildcat strikes – there is no such thing as a legal

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strike in China. So on a typical day anywhere from half a dozen to several dozen strikes are likely taking place.

More importantly, workers are winning, with many strikers capturing large wage increases above and beyond any legal requirements. Worker resistance has been a serious problem for the Chinese state and capital and, as in the United States in the 1930s, the central government has found itself forced to pass a raft of labor legislation. Minimum wages are going up by double digits in cities around the country and many workers are receiving social insurance payments for the first time.

Labor unrest has been growing for two decades, and the past two years a-lone have brought a qualitative advance in the character of worker struggles.

But if there are lessons for the Northern left in the experience of Chinese workers, finding them requires an examination of the unique conditions those workers face – conditions which, today, are cause for both great optimism and great pessimism.

Over the past two decades of insurgency, a relatively coherent catalog of worker-resistance tactics has emerged. When a grievance arises, workers' first step is often to talk directly to managers. These requests are almost always ignored, especially if they relate to wages.

Strikes, on the other hand, do work. But they are never organized by the official Chinese unions, which are formally subordinate to the Communist Party and generally controlled by management at the enterprise level. Every strike in China is organized autonomously, and frequently in direct opposition to the official union, which encourages workers to pursue their grievances through legal channels instead.

The legal system, comprising workplace mediation, arbitration, and court cases, attempts to individualize conflict. This, combined with collusion between state

and capital, means that this system generally cannot resolve worker grievances. It is designed in large part to prevent strikes.

Until 2010, the most common reason for workers to strike was nonpayment of wages. The demand in these strikes is straightforward: pay us the wages to which we are entitled.

Demands for improvements above and beyond existing law were rare. Given that legal violations were and are endemic, there has been fertile ground for such defensive struggles.

Strikes generally begin with workers putting down their tools and staying inside the factory, or at least on factory grounds. Surprisingly, there is little use of scab labor in China, and so pickets are rarely used.1

When faced with recalcitrant management, workers sometimes escalate by heading to the streets. This tactic is directed at the government: by affecting public order, they immediately attract state attention. Workers sometimes march to local government offices or simply block a road. Such tactics are risky, as the government may support strikers, but just as frequently will resort to force. Even if a compromise is struck, public demonstrations will often result in organizers being detained, beaten, and imprisoned.

Even more risky, and yet still common, is for workers to engage in sabotage and property destruction, riot, murder their bosses, and physically confront the police. Such tactics appear to be more prevalent in response to mass layoffs or bankruptcies. A number of particularly intense confrontations took place in late 2008 and early 2009 in response to mass layoffs in export processing due to the economic crisis in the West. As will be explained, workers may now be developing an antagonistic consciousness vis-à-vis the police.

But the least spectacular item in this catalog of resistance forms the essential backdrop to all the others: migrants, increasingly, have simply been refusing to take the bad jobs they used to flock to in the export processing zones of the southeast.

A labor shortage first arose in 2004, and in a nation that still has more than 700 million rural residents, most assumed it to be a short-term fluke. Eight years later, there is clearly a structural shift taking place. Economists have engaged in intense debate about the causes of the labor shortage, a debate I will not recap

here. Suffice it to say that a large swath of manufacturers in coastal provinces such as Guangdong, Zhejiang, and Jiangsu has not been able to attract and retain workers.

Regardless of the specific reasons, the salient point is that the shortage has driven up wages and strengthened workers' power in the market – an advantage that they have been exploiting.

A turning point came in the summer of 2010, marked by a momentous strike wave that began at a Honda transmission plant in Nanhai.

Since then, there has been a change in the character of worker resistance, a development noted by many analysts. Most importantly, worker demands have become offensive. Workers have been asking for wage increases above and beyond those to which they are legally entitled, and in many strikes they have begun to demand that they elect their own union representatives. They have not called for independent unions outside of the official All-China Federation of Trade Unions (ACFTU), as this would surely incite violent state repression.

But the insistence on elections represents the germination of political demands, even if the demand is only organized at the company level.

The strike wave was detonated at Nanhai, where for weeks workers had been grumbling about low wages and discussing the idea of a stoppage. On 17 May 2010, hardly any of them knew that a single employee – whom many reports have since identified by the pseudonym Tan Zhiqing – would call the strike on his own initiative by simply hitting the emergency stop button, shutting down both of the plant's production lines.

Workers walked out of the factory. By that afternoon, management was pleading with them to return to work and open negotiations. Production was in fact resumed that day. But the workers had formulated their initial demand: a wage increase of 800 rmb per month, amounting to a 50 percent hike for regular workers.

More demands followed: for the "reorganization" of the company's official union, which was offering the workers virtually no support in their struggle, as well as the reinstatement of two fired workers. During the talks workers again walked out, and one week into the strike all of Honda's assembly plants in China had been shut down due to lack of parts.

Meanwhile, news of the Nanhai strike began to spark widespread unrest among industrial workers around the country. Chinese newspaper headlines told the story: “One Wave Is Higher Than the Next, Strike Also Erupts At Honda Lock Factory”; “70 Thousand Participate in Dalian Strike Wave Affecting 73 Enterprises, Ends With 34.5% Wage Increases”; “Honda Wage Strikes Are a Shock to the Low-Cost Manufacturing Model.” In each strike, the main demand was for major wage increases, although in many of them demands for union reorganization were also heard – a political development of great importance.

One of these copycat strikes was especially notable for its militancy and organization. Over the weekend of June 19–20, a group of up to two hundred workers at Denso, a Japanese-owned auto parts maker supplying Toyota, met secretly to discuss plans. At the meeting, they decided on a strategy of “three nos:” for three days there would be no work, no demands, and no representatives.

They knew that by disrupting the supply chain, the neighboring Toyota assembly plant would be forced to shut down in a matter of days. By committing to strike for three days without demands, they anticipated mounting losses both for Denso and for Toyota’s larger production chain.

Their plan worked. On Monday morning, they kicked off the strike by walking out and blocking trucks from leaving the plant. By that afternoon, six other factories in the same industrial zone had closed, and the next day the lack of parts forced a shutdown in the Toyota assembly plant.

On the third day, as they had planned, workers elected twenty-seven representatives and went into negotiations with the central demand of an 800 RMB wage increase. After three days of talks involving the CEO of Denso, who had flown in from Japan, it was announced that they had won the full 800 RMB increase.

If the summer of 2010 was characterized by radical but relatively orderly resistance to capital, the summer of 2011 produced two mass insurrections against the state.

In the same week in June 2011, immense worker riots rocked the suburban manufacturing areas of Chaozhou and Guangzhou, both leading to widespread and highly targeted property destruction. In the Chaozhou town of Guxiang, a

Sichuanese worker seeking back wages was brutally attacked by knife-wielding thugs and his former boss. In response to this, thousands of other migrants began demonstrating at the local government offices, many of them having suffered years of discrimination and exploitation by employers working in collusion with officials.

The protest was purportedly organized by a loosely organized Sichuan "hometown association," one of the mafia-like organizations that have proliferated in an environment where open association is not tolerated. After surrounding the government offices, the migrants quickly turned their ire on local residents who they felt had discriminated against them. After they burned dozens of cars and looted stores, armed police were required to put down the riot and to disband locals who had organized into vigilante groups.

Just one week later, an even more spectacular uprising took place on the outskirts of Guangzhou in Zengcheng. A pregnant woman from Sichuan hawking goods on the side of the street was approached by police and violently shoved to the ground. Rumors immediately began circulating among factory workers in the area that she had miscarried as a result of the altercation; whether or not this was actually the case quickly became irrelevant.

Enraged by another incident of police aggression, indignant workers rioted throughout Zengcheng for several days, burning down a police station, battling riot cops, and blockading a national highway. Other Sichuanese migrants reportedly poured into Zengcheng from around Guangdong to join in. Eventually the People's Liberation Army was called in to put down the insurrection and engaged the militants with live ammunition. Despite denials from the government, it is likely that a number of people were killed.

In just a few years, worker resistance has gone from defensive to offensive. Seemingly small incidents have set off mass uprisings, indicative of generalized anger. And ongoing labor shortages in coastal areas point to deeper structural shifts that have also changed the dynamics of labor politics.

All of this presents a severe challenge to the model of export-led development and wage repression that has characterized the political economy of China's southeastern coastal regions for more than two decades. By the end of the 2010 strike wave, Chinese media commentators were declaring that the era of low-wage labor had come to an end.

But if such material gains are cause for optimism, entrenched depoliticization means that workers cannot take much satisfaction from these victories. Any attempt by workers to articulate an explicit politics is instantly and effectively smashed by the Right and its state allies by raising the specter of the Lord of Misrule: do you really want to go back to the chaos of the Cultural Revolution?

If in the West "there is no alternative," in China the two official alternatives are a frictionless and efficient capitalist technocracy (the Singaporean fantasy) or unmitigated, feral, and profoundly irrational political violence. As a result, workers self-consciously submit to the state-imposed segregation of economic and political struggles and present their demands as economic, legal, and in accordance with the stultifying ideology of "harmony." To do otherwise would incite harsh state repression.

Perhaps workers can win a wage hike in one factory, social insurance in another. But this sort of dispersed, ephemeral, and desubjectivized insurgency has failed to crystallize any durable forms of counter-hegemonic organization capable of coercing the state or capital at the class level.

The result is that when the state does intervene on behalf of workers – either by supporting immediate demands during strike negotiations or passing legislation that improves their material standing – its image as "benevolent Leviathan" is buttressed: it has done these things not because workers have demanded them, but because it cares about "weak and disadvantaged groups" (as workers are referred to in the official lexicon).

Yet it is only through an ideological severing of cause from effect at the symbolic level that the state is able to maintain the pretense that workers are in fact "weak." Given the relative success of this project, the working class is political, but it is alienated from its own political activity.

It is impossible to understand how this situation is maintained without grasping the social and political position of today's working class. The Chinese worker of today is a far cry from the heroic and hyper-masculinized proletarians of Cultural Revolution propaganda posters. In the state-owned sector, workers were never really "masters of the enterprise" as claimed by the state. But they were guaranteed lifetime employment, and their work unit also bore the cost of social reproduction by providing housing, education, health care, pensions, and even wedding and funeral services.

In the 1990s, the central government began a massive effort to privatize, downsize, or desubsidize many state-owned enterprises, which led to major social and economic dislocations in northeastern China's "Rust Belt." While material conditions for workers in the remaining state-owned companies are still better in relative terms, today these firms are increasingly run in accordance with the logic of profit maximization.

Of greater immediate interest is the new working class, composed of migrants from the countryside who have flocked to the "Sun Belt" cities of the southeast. With the transition to capitalism beginning in 1978, farmers originally fared well, as the market provided higher prices for agricultural goods than the state had. But by the mid 1980s, these gains began to be wiped out by rampant inflation, and the rural population started to look for new sources of income. As China opened its doors to export-oriented manufacturing in the southeast coastal regions, these farmers were transformed into migrant workers.

At the same time, the state discovered that a number of institutions inherited from the command economy were useful for enhancing private accumulation. Chief among these was the hukou or household registration system, which tied an individual's social benefits to a particular place. The hukou is a complex and increasingly decentralized instrument of

administration, but the key thing to note is that it institutionalizes a spatial and social severing between migrant workers' productive and reproductive activities – between their work life and their home and family life.

This separation has shaped every aspect of migrant workers' labor struggles. Young migrants come to cities to work in factories, restaurants, and construction sites, to engage in petty crime, sell street food, or earn a living as sex workers. But the state never made any pretense that migrants are formally equal to urban residents or that they are welcome for the long term.

Migrants do not enjoy access to any of the public services that urban residents have, including health care, housing, and education. They require official permission to be in the city, and during the 1990s and early 2000s there were many instances of migrants being detained, beaten, and "deported" for not having papers. For at least a generation, migrant workers' primary aim has been to earn as much money as they could before returning to the village in their mid twenties to get married and have a family.

Other formal arrangements ensure that migrants are not able to make a life in the city. The system of social insurance (including health insurance, pensions, unemployment insurance, maternity insurance, and workplace injury insurance) is organized at the municipal level. This means the migrants who are lucky enough to have employer-supported social insurance – a small minority – are paying into a system that they will never benefit from. If pensions are not portable, why would a migrant demand a better one? Worker demands therefore focus quite rationally on the most immediate of wage issues.

Thus, subjectively, migrants do not refer to themselves as "workers," nor do they think of themselves as part of the "working class." Rather, they are mingong, or peasant-workers, and they engage in "selling labor" (dagong) rather than having a profession or a career. The temporality of this relationship to work is perhaps the norm under neoliberal capitalism, but rates of turnover in many Chinese factories are astonishing, sometimes exceeding 100 percent a year.

The implications for the dynamics of worker resistance have been immense. For example, there are very few recorded struggles over the length of the working day. Why would workers want to spend more time in a city that rejects them? The "work-life balance" of hr discourse means nothing to an eighteeen-year-old migrant worker toiling in a suburban Shanghai factory. In the city, migrants live to work – not in the self-actualizing sense but in the very literal sense. If a worker assumes that they are just earning money to eventually bring back home, there is little reason (or opportunity) to ask for more time "for what one will" in the city.

Another example: every year just before the Chinese New Year, the number of strikes in the construction sector surges. Why? This holiday is the only time of the year that most migrants will return to their hometowns, and is often the only time that they can see family members, often including spouses and children. Construction workers are generally paid only when a project is completed, but nonpayment of wages has been endemic since the deregulation of the industry in the 1980s. The idea of going back to the village empty-handed is unacceptable for workers, since the reason they left for the city in the first place was because of the promise of marginally higher wages. Hence the strikes.

In other words, migrant workers have not attempted to link struggles in production to struggles over other aspects of life or broader social issues. They are severed from the local community and do not have any right to speak as

citizens. Demands for wages have not expanded into demands for more time, for better social services, or for political rights.

Capital, meanwhile, has relied on several tried-and-true methods to prop up profitability.

Within the factory, the biggest development of the past few years is one that will be drearily familiar to workers in the US, Europe, or Japan: the explosive growth of various kinds of precarious labor, including temps, student interns, and, most importantly, “dispatch workers.”

Dispatch workers are directly employed by a labor contracting firm – many of which are owned by local labor bureaus – which then “dispatches” its workers to sites where they will be put to work. This has the obvious effect of obscuring the employment relationship, and enhancing flexibility for capital. Dispatch labor now constitutes a huge percentage of the workforce (often more than 50 percent in a given workplace) in an incredibly diverse array of industries, including manufacturing, energy, transportation, banking, healthcare, sanitation, and the service industry. The trend has emerged in domestic private, foreign private, joint-venture, and state-owned enterprises.

But the big story in recent years has been the relocation of industrial capital from the coastal regions into central and western China. There are huge social and political consequences that derive from this “spatial fix,” and they present the working class with a new and potentially transformative set of possibilities. Whether or not these possibilities will be realized is of course a question that can only be resolved in practice.

The case of Foxconn, China’s largest private employer, is instructive here. Foxconn moved from its original home in Taiwan to coastal Shenzhen more than a decade ago, but in the wake of the 2010 worker suicides and the ongoing public scrutiny of its highly militarized and alienating work environment, it is now being forced to move once again. The company is currently in the process of drawing down its manufacturing workforce in Shenzhen, having built massive new facilities in inland provinces. The two largest of these are in the provincial capitals of Zhengzhou and Chengdu.

It isn’t hard to understand the attraction that the interior holds for such companies. Although wages in Shenzhen and other coastal areas are still quite

low by global standards (less than 200 USD a month), wages in interior provinces such as Henan, Hubei, and Sichuan can be almost half that. Many employers also assume, perhaps correctly, that more migrants will be available closer to the source, and a looser labor market also has immediate political advantages for capital. This, too, is a familiar story of capitalism: the labor historian Jefferson Cowie identified a similar process at work in his history of electronics manufacturer rca's

"seventy-year quest for cheap labor" – a quest that took the company from New Jersey to Indiana to Tennessee, and finally to Mexico.

If coastal China has offered transnational capital highly favorable social and political conditions for the past two decades, things will be different in the interior. The antagonism between labor and capital may be universal, but class conflict proceeds on the terrain of particularity.

So what is particular about the Chinese interior, and why might it be grounds for cautious optimism? Whereas migrants in coastal regions are necessarily transitory – and their struggles therefore ephemeral – in the interior they have the possibility of establishing durable community. Theoretically, this means that there is a greater possibility to fuse struggles in the spheres of production and reproduction, something that was not possible when these two arenas were spatially severed.

Consider the issue of hukou, the household registration. The huge eastern megalopolises to which migrants have flocked in the past have very tight restrictions on gaining local residency. Even white-collar workers with graduate degrees can have a difficult time getting a Beijing hukou.

But smaller cities in the interior have set a much lower bar for gaining local residency. While it is admittedly speculative, it is worth thinking about how this will change the dynamics of worker resistance. If, before, migrants' presumed life trajectory was to go work in the city for a few years to earn money before returning home and starting a family, workers in the interior may have a very different perspective. Suddenly they are not just "working," but also

"living," in a particular place.

This implies that migrants will be much more likely to settle permanently in their places of work. They will want to find spouses, have their own places of

residence, have kids, send those kids to school – in short, engage in social reproduction.

Previously, employers did not have to pay migrant workers a livable wage, and there was no pretense that this was to be expected, since it was clear that workers would go back to the village to settle down. But in the interior, migrants will likely demand all the things one needs for a decent life – housing, health care, education, and some protection against the risks of unemployment and old age. They may also want time for themselves and for their community, a demand that has been conspicuously absent up to the present.

This raises the possibility of the politicization of worker unrest. Decent public services were never an expectation of migrants on the coast. But if they can establish residence rights in the interior, demands for social services could easily be generalized, providing the opportunity to escape the isolation of workplace-based struggles. Demands for social protection are more likely to be aimed at the state than at individual employers, establishing the symbolic foundation for a generalizable confrontation.

Although it is easy to romanticize the brave and sometimes spectacular resistance of migrant workers, the reality is that the most frequent response to bad working conditions has simply been to quit and find another job or return home. This, too, may change if they work where they live. The conditions may now be in place for migrants to stand their ground and fight for their community and in their community rather than simply fleeing.

The biographies of workers in the interior may also present opportunities for enhanced militancy. Many of these migrants have previous experience working and fighting in coastal regions. Older workers may lack the militant passion of youth, but their experience in dealing with exploitative bosses and their state allies could be an invaluable resource.

Finally, workers will have greater social resources at their command. In large coastal cities, they would be unlikely to garner much sympathy from local residents, a fact made painfully clear in the Guxiang riots. But in the interior, workers may have friends and family nearby, people who are not just inclined to side with labor but who may in a very direct way depend on increased wages and social services. This presents the possibility of expanding struggles beyond the workplace to incorporate broader social issues.

There may be some on the Left who are sanguine about perpetual resistance in and of itself.

And the form of class conflict that has prevailed in China has caused major disruptions for capital accumulation.

But workers are alienated from their own political activity. A profound asymmetry exists: workers resist haphazardly and without any strategy, while the state and capital respond to this crisis self-consciously and in a coordinated manner.

So far, this fragmented and ephemeral form of struggle has been unable to make any major dent in the basic structures of the party-state and its ruling ideology. And capital, as a universal tendency, has proven its ability to subdue militant particularities over and over again. If militant worker resistance simply forces capital to destroy one working class and

produce a new (antagonistic) working class somewhere else, can we really consider this a victory?

The new frontier of capital accumulation presents the Chinese working class with opportunities to establish more enduring forms of organization capable of expanding the domain of social struggle and formulating broad-based political demands.

But until that happens, it will remain a half-step behind its historical antagonist – and ours.

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1. It is not immediately apparent why employers have only infrequently attempted to use scab labor. One explanation is that the government would not support such a move, as it could heighten tensions and lead to violence or greater social disruptions.

Another factor is simply that strikes rarely last for more than a day or two, as strikers do not have the institutional support of a union and often come under intense pressure from the state. The result is that there is perhaps less need for

scabs on the part of employers.